

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*

NM-01604 IV-Dist. 2
1301 W. 1st St. Santa Fe, NM 87501
(reverse side)

Form approved.

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK: DRILL ☒ DEEPEN ☐
b. TYPE OF WELL: OIL WELL ☒ GAS WELL ☐ Other ☐ SINGLE ZONE ☒ MULTIPLE ZONE ☐
2. NAME OF OPERATOR: DEVON ENERGY PRODUCTION COMPANY, L.P. 6137
3. ADDRESS AND TELEPHONE NO.: Wally Frank
20 N. BROADWAY, SUITE 1500, OKC, OK 73102 Senior Ops Engr
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface 810' FSL & 350' FEL, Unit P, Section 8-T22S-R24E, Eddy Cnty, NM 405-552-4595
At top proposed prod. zone (same) BHL: 850' S & 660' E SN 12126102 (JL)

5. LEASE DESIGNATION AND SERIAL NO.: NM-NM81220
6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
7. UNIT AGREEMENT NAME: 30648
8. FARM OR LEASE NAME, WELL NO.: Old Ranch Knoll "8" Federal Com. #9
9. API WELL NO.: 30-015-32586
10. FIELD AND POOL, OR WILDCAT: Indian Basin (Upper Penn) Assoc.
11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA: Unit P, Section 8-T22S-R24E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*: 30 miles NW of Carlsbad, NM
15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.: 350'
16. NO. OF ACRES IN LEASE: 440.00
17. NO. OF ACRES ASSIGNED TO THIS WELL: 320.00
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.:
19. PROPOSED DEPTH: 8,600'
20. ROTARY OR CABLE TOOLS*: Rotary
21. ELEVATIONS (Show whether DF, RT, GR, etc.): GL 4086'
22. APPROX. DATE WORK WILL START*: January, 2003

23. PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
25"	Conductor 20"		40'	Redi-mix to surface
12 1/4"	H-40 9 5/8"	36#	1,600'	500 sx Pozmix C+ 200 sx Class C
8 3/4"	L-80/HCL-80 7"	23#	8,600'	500 sx Pozmix C

We plan to circulate cement to surface on the 9 5/8" casing string. The cement top will be brought to approximately 6,000' on the 7" casing string.

Devon Energy proposes to drill a Penn gas well to TD 8,600'± for commercial quantities. If the well is deemed noncommercial, the well bore will be plugged and abandoned per Federal regulations. Programs to adhere to onshore oil and gas regulations are outlined in the following exhibits and attachments.

Drilling Program

Surface Use and Operating Plan

Exhibits #1 = Blowout Prevention Equipment

Exhibit #2 = Location and Elevation Plat

Exhibits #3 = Road Map and Topo Map

Exhibit #4 = Wells Within 1 Mile Radius

Exhibits #5 = Production Facilities Plat

Exhibit #6 = Rotary Rig Layout

Exhibit #7 = Casing Design

H₂S Operating Plan

The undersigned accepts all applicable terms, conditions, stipulations and restrictions concerning operations conducted on the leased land or portions thereof, as described below.

Legal Description:

NM-NM81220; N/2, N/2 SE/4, SE/4 SE/4 of Section 8-T22S-R24E, Eddy Cnty, NM

Bond Coverage: Nationwide

BLM Bond #: CO-1104

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

Controlled Water Basin

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED Candace R. Graham

Candace R. Graham
TITLE Engineering Technician

(405) 235-3611 X4520
DATE November 18, 2002

*(This space for Federal or State office use)

PERMIT NO. APPROVAL DATE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY /s/ LESLIE A. THEISS TITLE FIELD MANAGER DATE JAN 14 2003

See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

APPROVAL FOR 1 YEAR

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